

**PART 673—GENERAL PROVISIONS  
FOR THE FEDERAL PERKINS LOAN  
PROGRAM, FEDERAL WORK-  
STUDY PROGRAM, AND FEDERAL  
SUPPLEMENTAL EDUCATIONAL  
OPPORTUNITY GRANT PROGRAM**

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AUTHORITY: 20 U.S.C. 421–429, 1070b–1070b–3,  
and 1087aa–1087ii; 42 U.S.C. 2751–2756b, unless  
otherwise noted.

SOURCE: 61 FR 60393, Nov. 27, 1996, unless  
otherwise noted.

**Subpart A—Purpose and Scope**

**§ 673.1 Purpose.**

This part governs the following three programs authorized by title IV of the Higher Education Act of 1965, as amended (HEA) that participating institutions administer:

(a) The Federal Perkins Loan Program, which encourages the making of loans by institutions to needy undergraduate and graduate students to help pay for their cost of education.

(b) The Federal Work-Study (FWS) Program, which encourages the part-time employment of undergraduate and graduate students who need the income to help pay for their cost of education and which encourages FWS recipients to participate in community service activities.

(c) The Federal Supplemental Educational Opportunity Grant (FSEOG) Program, which encourages the providing of grants to exceptionally needy undergraduate students to help pay for their cost of education.

(Authority: 20 U.S.C. 421–429, 1070b–1070b–3,  
and 1087aa–1087ii; 42 U.S.C. 2751–2756b)

**§ 673.2 Applicability of regulations.**

The participating institution is responsible for administering these programs in accordance with the regulations in this part and the applicable program regulations in 34 CFR parts 674, 675, and 676.

(Authority: 20 U.S.C. 421–429, 1070b–1070b–3,  
and 1087aa–1087ii; 42 U.S.C. 2751–2756b)

**Subpart B—General Provisions for  
the Federal Perkins Loan, FWS,  
and FSEOG Programs**

**§ 673.3 Application.**

(a) To participate in the Federal Perkins Loan, FWS, or FSEOG programs, an institution shall file an application before the deadline date established annually by the Secretary through publication of a notice in the FEDERAL REGISTER.

(b) The application for the Federal Perkins Loan, FWS, and FSEOG programs must be on a form approved by the Secretary and must contain the information needed by the Secretary to determine the institution's allocation or reallocation of funds under sections 462, 442, and 413D of the HEA, respectively.

(Authority: 20 U.S.C. 1070b–3 and 1087bb; 42 U.S.C. 2752)

**§ 673.4 Allocation and reallocation.**

(a) *Allocation and reallocation of Federal Perkins Loan funds.* (1) The Secretary allocates Federal capital contributions to institutions participating in the Federal Perkins Loan Program in accordance with section 462 of the HEA.

(2) The Secretary reallocates Federal capital contributions to institutions participating in the Federal Perkins Loan Program by—

(i) Reallocating 80 percent of the total funds available in accordance with section 462(j) of the HEA; and

(ii) Reallocating 20 percent of the total funds available in a manner that best carries out the purposes of the Federal Perkins Loan Program.